

# **How Supreme Audit Institutions can contribute in evaluating environmental policies and objectives through environmental auditing**

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# Supreme Audit Institutions

- Objectivity, accountability and transparency
  - Conduct independent audits of government's activities
  - Reports to Parliaments
- Policies adopted by Parliament are often the basis for the audits
- Financial, Compliance and Performance audits



# The role of environmental auditing

- Compared to evaluations;
  - Audits can cover broader areas
  - Control of the government's action rather than evaluation – independent of government
  - Deficiencies already identified
  - Limited to what the Parliament have said something about, acts as a control organ for the Parliament (this can vary)
  - Broader scope and complex context can make it more difficult to establish cause and effects



# What is environmental auditing?

- Takes the step from describing environmental threats to identifying audit risks to economic, efficient and effective governance in environmental policy areas
- All types of audits can cover environmental issues
- 1993-2011: more than 3200 audits related to the environment

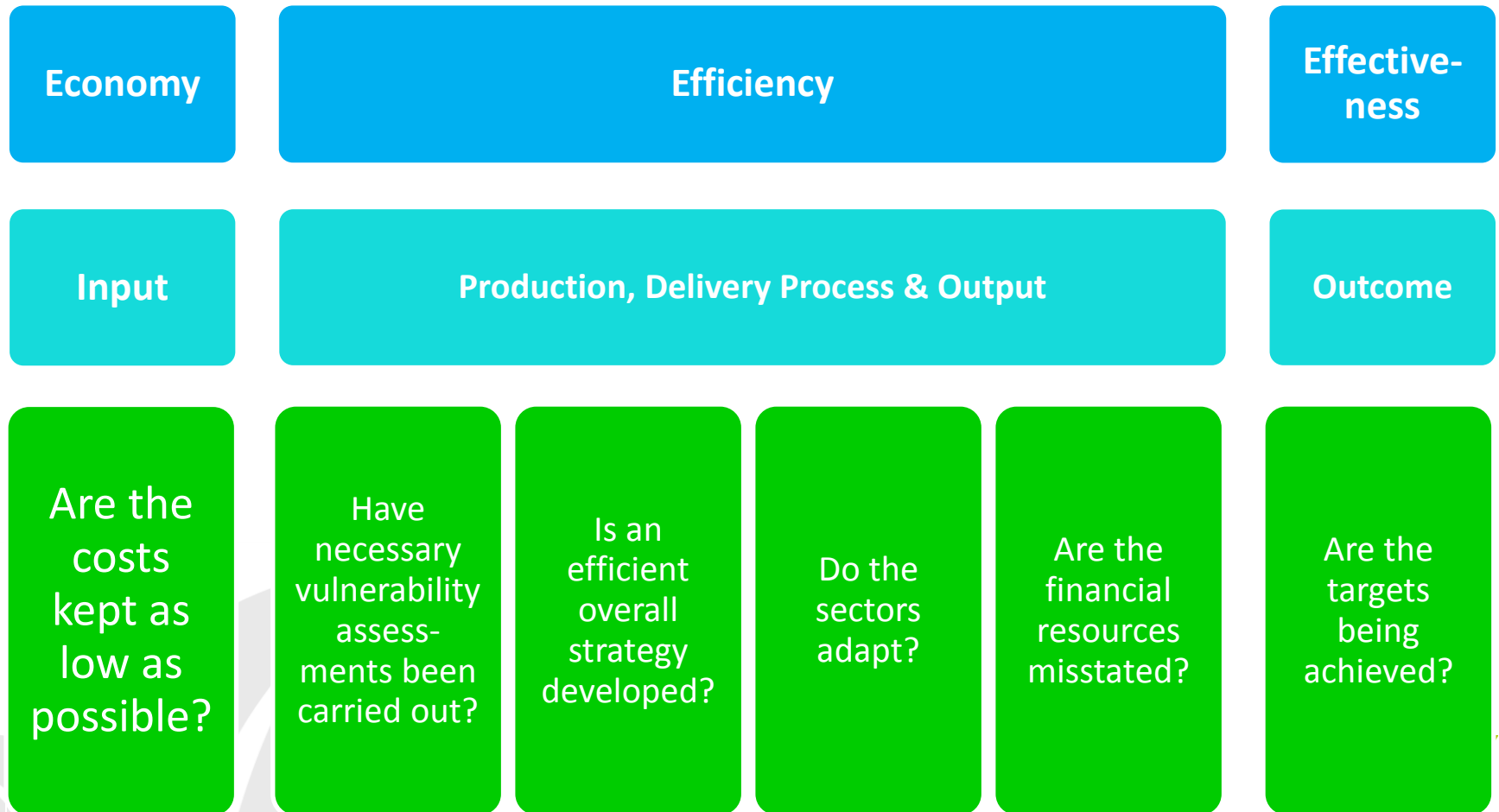


# Possible scopes for environmental auditing

- System audits
  - Environmental governance and management
- Ecosystems approaches
  - Environmental impacts
  - Monitoring, reporting
- Multinational Environmental Agreements
  - Implementation and compliance
- Environmental Policy tools
  - Efficiency and effectiveness



# Risk assessments in auditing In-put out-put out-come model for adaptation to climate change



# Designing audits to evaluate objectives and policy instruments

*Example from audit on Sustainable Management on Norwegian forest resources:*

## **Main audit questions**

- What is the state of Norwegian forest resources and how has the forest developed?
- To what degree does the ministry fulfill its responsibility for forestry, through objectives and performance management?
- To what degree does the apparatus of means administered by the ministry contribute to reach the objectives of a sustainable administration of the forestry sector, and enabling increased activity?



# Some important observations made in environmental audits

Out of 10 common findings these 5 may also have some relevance for evaluators in general:

1. Insufficient assessment of the environmental effects of governmental policies and tools
2. Lack of analysis supporting decisions
3. Lack of long-term planning to implement environmental policies and programs
4. Deficient monitoring and reporting systems
5. Lack of environmental data for decision-making



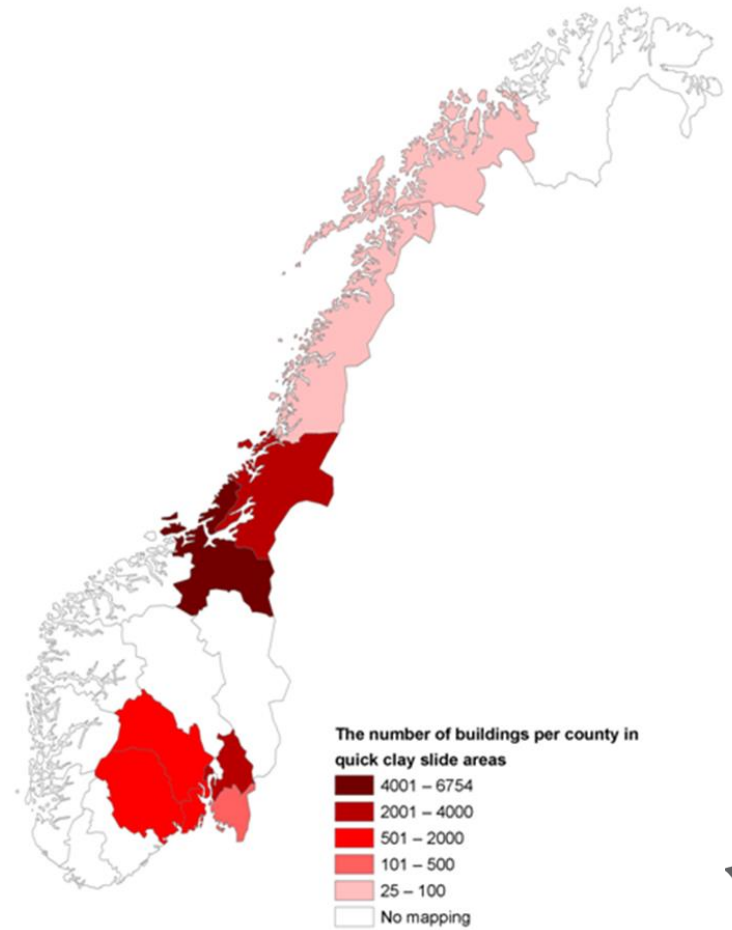
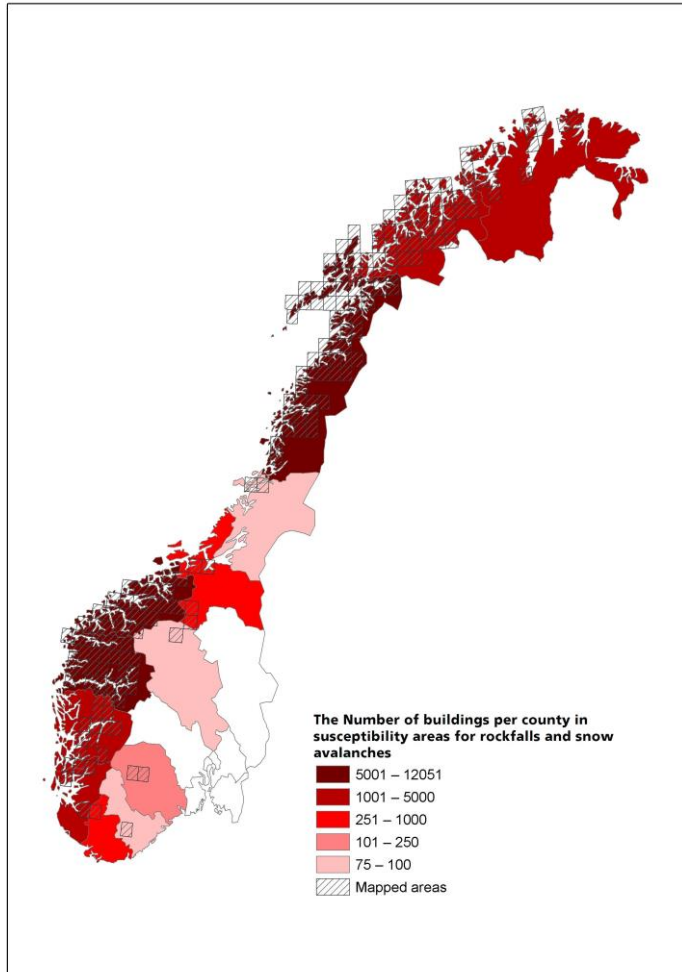


# Examples of methods used in environmental auditing

- Principle: Collecting data to establish facts and develop findings in order to make us able to answer the audit questionns
- Primarily: Quantitative analysis, document analysis and interviews
- But also some more alternative methods:
  - Observation,
  - Economic modelling
  - Surveys



# Alternative method: Map analysis



# Possible impacts of environmental auditing

- Can identify risks related to public environmental and natural resource management
- May show the consequences of poor environmental and natural resource management
- May uncover shortcomings in the knowledge base upon which management decisions are made
- Can identify possible causes of a developments and trends observed in the environment



# Who is EUROSAI WGEA?

- Regional umbrella organisation for SAIs working with environmental auditing
- Works to increase SAI's capacity in environmental auditing
- Promotes cooperation through joint or coordinated audits
- Exchange of information and knowledge within environmental auditing
- Our website: [www.eurosaiwgea.org](http://www.eurosaiwgea.org)



**Thank you for listening!**

**Any questions?**



**EUROSAI**

Working Group on  
Environmental Auditing